GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:4039
ANSWERED ON:18.04.2002
CVC REPORT ON DEFENCE DEAL
GADDE RAMAMOHAN;M.V.V.S MURTHI

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government have examined the Central Vigilance Commissioner report on all the major defence procurement since 1989;

(b) if so, the details thereof and the outcome of the CVC report;

(c) the action taken by the Government against the guilty officials in each case; and

(d) if not, the time by which the CVC report is likely to be examined and implemented?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) Yes, Sir.

(b) to (d): The Report of the CVC is based on `Secret` and `Top Secret` documents of the Ministry of Defence as well as based on IB, CBI`s Reports and has been classified as `Secret`. Therefore, it would not be in the public interest to divulge the details thereof.

In those cases, where CVC`s recommendations have been finalised and accepted by the Ministry, action to fix responsibility is in progress. In those cases, where recommendations have not yet been finalised, dialogue with the CVC is in progress.

Based on the CVC`s Recommendations, re-structuring of the procurement process in the Ministry, is underway.The Defence Procurement Board has already been set up. Instructions have been issued evolving a Standard Procedure for mandatory and time-bound scrutiny by the Comptroller and Auditor General and the Central Vigilance Commission of all major defence related purchase decisions. Instructions have also been issued regarding the role of authorised Indian representatives agents of foreign suppliers in Defence purchases through a system of registration, declaration by the foreign suppliers of the services to be rendered by the agent and the remuneration to be paid to them. Important data on procurement has also been made available on the Ministry`s website encouraging accessibility and transparency.